

News from Rep. Stephanie Herseth

For Immediate Release

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HERSETH: ENERGY LEGISLATION DOES NOTHING TO LOWER ENERGY COSTS FOR CONSUMERS, RURAL AMERICA

October 7, 2005, Washington D.C. - U.S. Rep. Stephanie Herseth today voted against energy legislation because it does not give immediate or long-term relief to consumers who are struggling with rising energy costs. Herseth said the bill does nothing to respond to problems following the aftermath of hurricanes Katrina and Rita, and is unlikely to increase refinery capacity or pass along savings to consumers.

Herseth said, "This is a true time of need for many Americans, and I am disappointed that some in Congress aren't willing to do better for families across the country. This bill does nothing to lower energy costs for consumers who are facing record prices with winter on the way. It does nothing to improve the ability of the FTC to crack down on price-gouging, especially gouging committed by big oil companies and refiners. In addition, today's bill only deals with gasoline and diesel and does nothing to address the high cost – with projections even higher – of natural gas and propane."

Looking at the longer-term, Herseth noted that the bill contains no provisions for renewable fuels nor does it tie taxpayer-funded subsidies to refineries that incorporate technological improvements designed to lower emissions and improve air quality. Rep. Herseth has consistently supported improving the nation's refining capacity, including her support of the U.S. Refinery Revitalization Act of 2004 and the Energy Policy Act of 2005, which included incentives for refineries. However, today's bill seeks to repeal provisions signed into law barely two months ago in the Energy Policy Act and extends even more subsidies to powerful stakeholders in the energy industry who are currently realizing 46% to 255% increases in profit margins from a year ago.

Last week, Herseth introduced a bill to empower the federal government to end price gouging by oil companies and provide relief to rural Americans paying skyrocketing energy and gas

costs. She has highlighted the effect of spiraling energy prices on rural Americans, including farmers, ranchers, school districts, small businesses, Native American tribes, and working families in South Dakota.

While the bill narrowly passed this afternoon, opposition to it was bipartisan with members from both parties voting against. House Leadership held the vote open 40 minutes past its scheduled 5 minute length, pressuring members to support the legislation. Herseth added, "I am hopeful that this bill can be improved in conference with the Senate. If not, South Dakotans will see, as they open their heating bills this winter, that this bill does nothing to alleviate high energy costs."

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Congresswoman Stephanie Herseth serves South Dakota in the U.S. House of Representatives. She is a member of the Blue Dog Coalition, a group of moderate Democrats committed to fiscal discipline and strong national security, and is co-chair of the Rural Working Group, which is dedicated to raising the profile of issues important to rural America. She also serves on three committees vital to South Dakota's interests: Agriculture, Veterans' Affairs and Resources.